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MOYNIHAN-CASEY

WASHINGTON (AP) -- SEN. DANIEL P. MOYNIHAN, D-N.Y., CHARGED TODAY THAT THE REAGAN ADMINISTRATION HAS NOT COOPERATED WITH THE SENATE INVESTIGATION OF CENTRAL INTELLIGENCE AGENCY DIRECTOR WILLIAM CASEY AND WARNED THAT CASEY MIGHT BE FORCED TO RESIGN.

"I'M ABSOLUTELY OUTRAGED," MOYNIHAN SAID AT A MEETING OF THE SENATE INTELLIGENCE COMMITTEE.

"IF THEY'RE NOT GOING TO HELP US ESTABLISH THAT THE DIRECTOR SHOULD NOT RESIGN, THEN THE RESULT WILL BE THAT HE WILL RESIGN."

MOYNIHAN SAID COMMITTEE STAFF MEMBERS HAVE BEEN TRYING FOR SEVERAL DAYS TO GET THE WHITE HOUSE TO RELEASE THE FILES ON CASEY'S FINANCIAL DEALINGS BEFORE HE TOOK OFFICE AS CIA DIRECTOR.

A FEDERAL JUDGE HAS SAID THAT CASEY ACTED IMPROPERLY DURING THE MID-1970S BY MISLEADING POTENTIAL INVESTORS IN A NOW-BANKRUPT COMPANY OF WHICH HE WAS A DIRECTOR.

MOYNIHAN SAID THE WHITE HOUSE REFUSED TO ANSWER THE TELEPHONE CALLS OF THE COMMITTEE STAFF. HE SAID HE THEN TRIED PERSONALLY TO TALK TO ATTORNEY GENERAL WILLIAM FRENCH SMITH.

"THE ATTORNEY GENERAL DOESN'T ANSWER. I DON'T KNOW IF THE ATTORNEY GENERAL IS AFRAID TO TALK TO ME, DOESN'T KNOW WHO I AM, OR DOESN'T THINK WHAT WE'RE DOING IS IMPORTANT," HE SAID.

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## Senate Panel Extending Casey Probe

By Allan Dodds Frank  
 Washington Star Staff Writer

Senate Intelligence Committee Chairman Barry Goldwater, R-Ariz., said yesterday that his committee has extended by a week its deadline for an examination of the business affairs of CIA Director William J. Casey and his ousted deputy director, Max Hugel.

In an interview, Goldwater said staff investigators may be sent to New Orleans to examine records relating to a now-defunct business venture, Multiponics Inc., in which Casey was an investor.

Hugel resigned last week as the top-ranking official in clandestine operations after it was disclosed that he and two New York businessmen were involved in questionable stock trading practices in the early 1970s.

The disclosures about Hugel came largely as a surprise to the Senate Intelligence Committee, as did reports about recent federal court rulings adverse to Mutiponics.

Goldwater said that while Casey had earlier disclosed to the Senate his involvement in Multiponics — a farm business venture that is out of business but still in litigation — several questions remain that need to be answered.

"We'll go over Hugel and then why weren't we told sooner," Goldwater said. "If anything else develops on the Multiponics end, then we'll have to get down to New Orleans."

"This whole thing is sort of a pig in a poke," Goldwater said. "Casey did tell us all about the financial



CIA DIRECTOR WILLIAM CASEY  
 Still some questions, senator says.

dealings that he had with Multiponics. They are all a matter of record. But there may be some other things that were overlooked and that's something we want to find out."

Goldwater said that "at the moment," he "does not buy" the suggestion by Sen. Dennis DeConcini, D-Ariz., that the Casey investigation be taken over by the Senate Judiciary Committee. DeConcini believes that Multiponics may have been involved with Investors Overseas Service, a company once owned by fugitive financier Robert Vesco.

"I don't want to get Casey in a bad light unless he's in a bad light," Goldwater said. "I don't want to ruin a man's reputation just for the fun of looking into something. I'm going to give him every reason of the doubt unless we find something different."

MARTIN KAPLAN

## The CIA Is an Equal Opportunity Employer

*"The Central Intelligence Agency may have a career for you."*

Over a silhouette of an eagle's head facing right, that was the headline on a one-sixth-page display ad in the Sunday New York Times at the end of June.

You couldn't miss it. It wasn't mixed in with the other career ads spread over the next several pages -- "Learn to be a Travel Agent" . . . "Love Anatomy? Learn Diagnostic Ultrasound Technology" . . . and the rest of the Close Cover Before Striking Electronics Institute sort of pitches.

No, the CIA ad was a class act. Just like Max Hugel.

Hugel was, for a few weeks anyway, the deputy director for operations at the CIA -- the agency's top spymaster. CIA Director William Casey hand-picked him for the job, and despite intelligence community grumbling about putting an outsider in perhaps the most sensitive post in secretland, Mr. Casey's friend Ronald Reagan smiled on the appointment.

*"It is not a career for everybody,"* the CIA ad continues. Nosiree. As agency officials told a House intelligence subcommittee, marijuana-smokers and homosexuals can't get in, and alcoholics are "unsuitable."

But the security check on Max Hugel -- whose former business associates turn out to have secretly taped him, and who now allege that Hugel joined them in a securities caper -- turned up no drink, no dope, and no stirrings of the love that dares not speak its name. He was a shoe-in.

*"It is a career for a few very special bright men and women . . ."*

Bright? Max? This is the Reagan campaign worker who came up with the idea of getting 10 million volunteers each to persuade two other people to vote for Reagan, and then those 20 million would in turn, etc., etc., and before you knew it Ronald Reagan would be the first president elected by chain letter.

*" . . . men and women with talent, skills, self-reliance, self-discipline, and initiative . . ."*

You want initiative? I'll give you initiative. When Max was drafted during World War II, he escaped combat duty by claiming to speak fluent Japanese.

Self-discipline? This is a man so far from self-indulgence that he hired a ghostwriter to do his own autobiography.

Self-reliance? When Max was tapped by his company commander to spy on his fellow infantrymen, the pickings of unpatriotic remarks were so slim that Max took the trouble actually to make up subversive comments completely on his own.

Skills? This is the man who convinced the owner of a Japanese auto repair shop to pay \$30,000 for 30 sight-unseen DeSoto taxis so old and rotted that the man went bankrupt when, as Max's autobiography says, he was "unable to salvage as much as a usable screw from the cabs."

*" . . . who seek exciting, challenging situations that demand critical on-the-spot decisions."*

Max never shied away from on-the-spot-decisions. No need for him to huddle with consultants and stew. When his business associates' lawyer suggested that they might file a suit against him, Max was ready with an answer. "I'll kill that bastard," he said. Right on the spot.

*"If you are a person with these diverse attributes and you enjoy working with interesting people . . ."*

Enjoy interesting people? Max? Need one do more than mention his "Korean gang"?

in . . . and if you don't do anything, you don't do anything. What can I do? If you do, I'll kiss you on both cheeks. And if you don't, I'll cut your b--- off. You got no choice, anyway. I'll get my Korean gang after you, and you don't look so good when you're hanging by the b---- anyway."

*" . . . it is time to consider a career with the Central Intelligence Agency through our career training program."*

Max didn't need the training program; he leapfrogged right into the front office, over all those Ivy Leaguers and career spooks who'd spent a lifetime learning the agency's ways.

But there was certainly no need to be apologetic about it. When the intelligence establishment criticized the appointment in May, didn't William Casey point out in his letter to the president defending the choice that Max's campaign work organizing ethnic groups was similar to organizing cover operations?

A hundred Greeks in the Nashua Holiday Inn . . . a suds-and-kielbasa fest in Milwaukee . . . a mole in the Politburo -- what's the big difference?

Besides, as the tapes now make clear, Max's whole career testifies to his understanding of secrecy. For example, before he leaked a year-end company forecast to a business associate who hoped to profit from the inside poop, Max prefaced his report this way: "Hey, got a pencil there? Get some pencil and paper, will you? . . . What I'm giving you is strictly confidential stuff, okay?"

"Strictly confidential." Did you catch that? This is no ordinary slouch needing a career training program to learn what "eyes only" means.

It was only a few weeks ago, just as the New York Times recruiting ad ran, just as he was abolishing the CIA's Office of Public Affairs, that Mr. Casey was saying in an agency newsletter that "the difficulties of the past decade are behind us," that a "trust us" climate had returned.

*"Earn big money at home in your spare time. Write today for free details. Ocean-Front Lots, Tucson, Arizona."*

Trust us.

## Screening procedures at CIA seem to be alarmingly loose



**WILLIAM CASEY**  
A problem of screening

As chairman of the Senate Intelligence Committee, which is responsible for keeping watch over the CIA, Barry Goldwater has defended CIA Director William J. Casey against charges that he was involved in a business that didn't play square with investors.

Goldwater's defense was hardly enthusiastic. It could not have been, considering that Casey neglected to tell the committee that the defunct company, Multiponics Inc., was involved in litigation in New Orleans. That omission was disquieting. Asked if he was involved in any pending litigation, Casey cited another case involving Multiponics. But he didn't mention the New Orleans case, in which a federal district court ruled in May that Casey and others had "omitted and misrepresented facts" to Multiponics investors.

If the omission was a reflection on Casey's memory or his integrity — both important in a CIA chief — the fact that it wasn't detected until now is a reflection on the thorough-

ness of the investigative procedures that precede important CIA appointments. Goldwater heard about Casey's New Orleans problem from a non-governmental source. The source apparently learned about it not from government investigators but from reporters for the Washington Post.

The adequacy of CIA screening had been called into question earlier by Casey's appointment of Max C. Hugel as chief of cover operations. Later — and also from newspaper sources — the Senate Intelligence Committee discovered that there were allegations that Hugel engaged in fraudulent stock trading operations. Hugel resigned, but questions about CIA screening remained.

Goldwater and the Senate Intelligence Committee have been hit by two surprises. The committee has decided to look into them. Goldwater said he expects Casey to stay on. But his commitment to the CIA director is clearly less than total.

"We'll go over Hugel and then why weren't we told sooner," Goldwater told reporters. "If anything else develops on the Multiponics end, then we'll have to get down to New Orleans. This whole thing is sort of a pig in a poke."

Goldwater is right to give Casey, as he promised to do, "every benefit of the doubt." That's fair to Casey. But in fairness to the CIA, and the nation, it is important that doubts be resolved so that confidence in CIA leadership is not diminished by the reservations that at present must concern Goldwater, and that we trust concern the Reagan administration as well.

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## CIA Director Orders Sharp Restrictions on Briefings, Publication

By Henry S. Bradsher  
Washington Star Staff Writer

CIA Director William J. Casey signed an order late last week halting the public distribution of the agency's analytical material, but he has slightly softened an earlier decision to stop all briefings for outsiders, according to sources in the intelligence community.

Both the embargo on analytical material and the sharp cutback on briefing journalists, academics and other selected persons were based on Casey's attitude that the agency's job is to service government officials, not the public, the sources said yesterday.

The CIA "should not be in the business of providing analytical think pieces to the public," according to one source who reflected official thinking. He added that the agency also wanted to ease its administrative and support burdens.

The sources said the agency will continue to issue unclassified reference materials for public use. Their distribution will be more restricted, however. They will be available only through library exchange programs and Government Printing Office stores, instead of being distributed directly from the CIA.

Reference materials are basically compilations of publicly available information in handy form for use by government offices. They include such things as lists of members of governments worldwide, public appearances by Chinese leaders, handy facts on foreign countries, and maps and occasional atlases.

Analytical materials, usually in the form of unclassified summaries of secret studies, have often in recent years been the focus of public discussions. Some of these have included controver-

sial predictions of a coming decline in Soviet oil production and a recent revision of international terrorist incident statistics to make them much higher.

The analytical materials have ranged from studies of Soviet military spending that are often cited in U.S. discussions of Pentagon budgets — and often criticized as distorted when quoted in dollars, too low when quoted in rubles — to reports on developing countries' debt burdens.

Some of the materials covered subjects that had been made public by the State Department's bureau of intelligence and research some years ago before the CIA pre-empted the field. These included estimates of Communist countries' military and economic aid programs.

State Department officials said yesterday there had not yet been any consideration of resuming publishing there some of the material that the CIA will stop issuing. But one official noted that sometimes CIA analysis finds its way to the public in publications of other branches of the government.

CIA estimates of Soviet gold production, for instance, has in the past been used for reports of the Bureau of Mines.

The results of CIA analysis also come out from time to time in testimony before congressional committees. Some committees, such as the Joint Economic Committee that holds secret annual hearings on Soviet and Chinese defense expenditures, publish declassified versions after lengthy delays during which they argue with CIA officials over how much has to be kept out of the public record.

Casey decided in the spring to halt the agency's practice of granting some requests from American journalists and others for briefings on specific subjects. But the sources said yesterday that there had been "a slight modification" in this decision.

The briefing practice has not been totally eliminated, just severely curtailed, the sources said. In rare instances requests will be granted.